VZCZCXRO5614 OO RUEHBI RUEHCI RUEHLH RUEHPW DE RUEHNE #2163/01 2201315 ZNY CCCCC ZZH O 071315Z AUG 08 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 2941 INFO RUCNAFG/AFGHANISTAN COLLECTIVE RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 6970 RUEHLO/AMEMBASSY LONDON 5151 RUEHMO/AMEMBASSY MOSCOW 2744 RUEHKO/AMEMBASSY TOKYO 5727 RUEHGV/USMISSION GENEVA 7839 RHEHAAA/WHITE HOUSE WASHDC RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RUEIDN/DNI WASHINGTON DC RUCNDT/USMISSION USUN NEW YORK 6756 RHMFISS/HQ USCENTCOM MACDILL AFB FL RHHMUNA/HQ USPACOM HONOLULU HI RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 002163

STPDTS

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TAGS: PGOV PTER PREL EAID AF IN
SUBJECT: COUNTER-TERROR, NEW AID MONEY, REAFFIRMATION OF
FRIENDSHIP HIGHLIGHT KARZAI VISIT TO INDIA

REF: A. NEW DELHI 2111

1B. NEW DELHI 1441
1C. NEW DELHI 1433 (NOTAL)

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Classified By: Charge d'Affaires, a.i., Steven White for Reasons 1.4 (B, D)

11. (C) Summary. In the aftermath of the bombing of the Indian Embassy in Kabul and terrorist bombings in Bangalore and Ahmedabad, President Karzai's August 3-5 visit to New Delhi focused on discussing counter-terrorism with Indian officials. Karzai and his Indian interlocutors emphasized the shared interest in "fighting the menace of terrorism," with Karzai calling bringing security to the Indian and Afghan people and the world at large "a moral responsibility." Prime Minister Singh announced a new \$450 million in reconstruction aid -- in addition to the \$750 million India had already declared -- and threw in an offer to host a meeting of the Joint Coordination and Monitoring Bureau. Initial Indian media reaction has been to interpret the visit as a reaffirmation of the friendship which exists between India and Afghanistan, with a less than subtle comparison to the two countries' relations with Pakistan. End Summary.

Core Message: Indo-Afghan Unity

12. (SBU) Afghan President Hamid Karzai, returning to Kabul from the SAARC Summit in Colombo, visited New Delhi August 3-5, meeting as expected (reftel) with Prime Minister Singh, President Patil, Vice-President Ansari, External Affairs Minister Mukherjee, and opposition leader Advani. With India still recovering from the July 7 bombing of its embassy in Kabul, and recent terrorist attacks in Bangalore and Ahmedabad, counter-terrorism was the focus of talks between Karzai and Indian officials. The message was one of unity, with Prime Minister Singh declaring at a joint press conference "We will fight (terrorism) unitedly and with full determination" and President Karzai stating "India and Afghanistan are facing the challenges of terrorism, of cold-blooded, brutal murderous activity in our two countries. And we recognize that the two countries and the world at large have no option but to be united in fighting the menace of terrorism." Karzai went on to assert the war on terror "is a moral responsibility for us -- as human beings to

protect the lives of our women and children, and to prevent the loss of life...by eliminating (terrorism) completely." Indian media, still seized with the recent spate of terrorist attacks, gave wide coverage to the unity message, with most mainstream reporting alluding to a common threat of terrorists backed by Pakistan's Inter-Services Intelligence (ISI) agency.

 $\underline{\P}3.$ (C) In a meeting with the Charge, External Affairs Minister of State Anand Sharma characterized President Karzai's visit as a "huge success." Sharma noted that discussions proceeded so well that the parties decided to double the time allotted for delegation level meetings. described the wide array of assistance India has already provided -- which included hospitals, IT centers, roads, scholarships and infrastructure -- as significantly improving the lives of Afghans. Sharma indicated that from the GOI's perspective, the areas most in need of funding are military training and the "physical protection of the government in Both the GOI and Karzai view Afghanistan's border with Pakistan as the most vulnerable region, Sharma reported. He commented that Karzai summed up the shared Indian/Afghan view on the situation "we may keep winning battles, but we must neutralize the border to win the war.

Deliverables: $$450\ \text{Million}$, a Completed Road, and an Invitation to Host JCMB

14. (C) The major deliverable of the visit was PM Singh's

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announcement of a "new" \$450 million in assistance for Afghan reconstruction and development. While Indian officials had hinted to us at the possibility before (Ref C), the news was still viewed as a surprise in Delhi. Post has asked MEA for details as to what specific sectors this assistance will go to, as well as the timeline for disbursement, and we are awaiting a response. One private sector source told Poloff he had heard much of the new money will go to security for the Afghan government. PM Singh clarified in his remarks that this \$450 million brings India's total contribution to Afghan reconstruction to \$1.2 billion. (Note: There had been some confusion recently over India's total assistance to Afghanistan, with some Indian and Afghan officials quoting figures anywhere from \$750 million to \$955 million. MEA officials had explained the difference (Ref B) as an unofficial markup to account for cost overruns, exchange rate fluctuations, and some additional small projects not reflected in the original \$750 million figure. Thus, not all of the \$450 million declared this week will truly be "new." End Note.)

15. (C) In addition to the new aid money, PM Singh announced that the Zaranj to Delaram road project India had been working on had been completed and will shortly be handed over to the Afghan government. Furthermore, the Indian Prime Minister offered to host a meeting of the Joint Coordination and Monitoring Bureau (JCMB).

Pakistani DCM: More Apprehension

16. (C) Not caught up in the warmth being displayed between the two leaders, Pakistani Deputy High Commissioner Afrasiab told PolCouns that Karzai's visit had "of course" upped the level of apprehension which already existed for Pakistan in terms of India-Afghanistan relations. Afrasiab was quick to note that in two of Karzai's media interviews in Delhi, "eighty percent" of Karzai's remarks were about Pakistan, rather than India or Afghanistan. Equally vexing for Afrasiab was that while India and Afghanistan were very publicly pointing toward Pakistan as a common source of concern, both were conveniently neglecting to mention the hundreds of millions of dollars Pakistan had given to Afghanistan's reconstruction, the loss of life Pakistan had

suffered on the front line of the war on terror, or the view from Islamabad that all three countries should be working together to stop terrorism. Ultimately, Afrasiab maintained, "Pakistan wants to be friends with both."

Comment: Message Delivered

17. (C) Comment. As if speaking from the same talking points, the one consistent message from Karzai and his Indian interlocutors was "unity," with a not-so-subtle hint that it was Pakistan-based threats that the two were uniting against. Post sees the new pledge of \$450 million as a downpayment on India's commitment to that unity. It is also noteworthy that India offered to host the JCMB, as in the past India was comfortable leaving such a role to the larger, western donors and, assuming such a meeting takes place, will provide India with the "global player" credits it craves these days. Assuming the "unity" message was aimed at getting Pakistan's attention, Afrasiab's comments could be a signal that the visit was indeed the "huge success" Sharma described. WHITE